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Members of the Senate Committee On Finance and Revenue,

I write in support of SB 1084, Relating to economic incentives. The incentives in the bill are crucial for the success of biotech companies and for Oregon's bioscience industry to remain competitive in the US. Oregon currently lags behind other states in offering incentives to retain and attract biotech companies. We are one of the 12 states that does not have a tax credit to facilitate private-sector research. Oregon's bioscience industry has created nearly 66,000 jobs and \$16 billion of total economic activity in Oregon, as well as \$1.7 billion in tax and fee revenues for the State and local governments. Our industry helps bolster the employment and tax base by leveraging tools such as the research & development tax credit, property tax incentives like enterprise zones and Gainshare.

The environment in which small biotech companies operate is incredibly difficult and costly. There are many segments within the vast Oregon biotech industry including: research service and reagent providers, medical device and diagnostic manufacturers, and pharmaceutical companies. UbiVac falls within the latter segment, where the timeline to bring a drug to market ranges between 10 to 20 plus years. As is common for other pharmaceutical companies in this phase of product development, these 10-20 years are periods with little or no product revenue. It is therefore understandable how the financial benefits derived from these programs are crucial, as they help biotech companies to:

- Translate innovations from Oregon universities and research centers (such as the Knight Cancer Institute and ONAMI) to thriving companies that build on the state economy.
- Decrease risks associated with investing in research intensive activities, with the use of the immediate tax credits to qualifying companies making them more capital efficient.
- Reduce dangers in facility relocations with the availability of the Enterprise Zone property tax abatement program.

UbiVac is a company founded in Oregon, a result of world class research happening in the state. We are focused on harnessing and augmenting the immune system to combat cancer. UbiVac's core technology is a therapeutic cancer vaccine, that among other attributes also contains cancer's "Dark Matter". Only recently discovered, this Dark Matter is present on the surface of cancer cells and provides thousands of possible targets that the immune system can be educated to recognize, resulting in tumor destruction. UbiVac's vaccine is capable of "turning on" a patient's immune system to recognize and attack their cancer. UbiVac and our collaborators are performing discovery research on the Dark Matter the immune system recognizes. We believe this is a watershed moment for drug discovery and development. UbiVac's technology was invented, researched, developed, and manufactured in Oregon.

Clinical trials utilizing this vaccine are ongoing with additional trials planned. We are currently in the process of upgrading our cleanroom manufacturing space to meet the needs of these ongoing and future clinical trials, a timely and costly endeavor. I am pleased that through our presence in Oregon, collaborations with other Biotech and Pharma companies, as well as our working relationships with Oregon medical centers we can and do have clinical trial sites in the state that bring first of their kind combination clinical trials to patients. Our ability to perform these activities can only be aided by the support of the state and the types of legislation you are currently considering.

The biotech industry is part of a larger Oregon ecosystem and specific to UbiVac:

- Employing graduates from programs such as: Portland Community College's Bioscience Program, University of Oregon, Oregon State University, Linfield College, and Portland State University
- Doing business with other local companies, small and large, as well as suppliers and service providers such as: Gohman Mechanical, Great Northern Staff Administrators, RGL Water Purification, and numerous others that have been essential to our ability to conduct research and manufacturing.
- Working with not-for profits and government agencies like Providence Health & Services, Business Oregon and the city of Tualatin.

The ability for Oregon to be a state for cutting edge, lifesaving research and manufacturing is directly related to legislation that you are now considering. Please support the R&D tax credit, E-zone program and Gainshare program by supporting SB 1084. Thank you for your time and consideration of this information as you discuss and deliberate on this proposed legislation which will have a significant impact on numerous businesses that call Oregon home.

Best regards,

Bernard A Fox, PhD
Chief Executive Officer
UbiVac